

FISCAL NOTE

HB 2731 - SB 2983

March 30, 2000

SUMMARY OF BILL: Limits mental injury claims to those that do not arise out of and in the course of employment unless it is caused by physical injury to the claimant's body. No mental injury shall be considered a compensable injury unless a determination of mental injury, its cause and resulting disability or need for medical treatment is diagnosed by a psychiatrist and supported by clear and convincing psychiatric evidence.

Provides in cases where the injury results in a permanent impairment and the treating physician specifically finds that a mental, psychological, or emotional injury or disorder has resulted from the injury, the base value of the employee's permanent impairment rating shall be increased by 1% to the body as a whole for the mental injury. Provides that the award is not for mere depression from being out of work, but the intent is that there be competent medical testimony regarding a specific and permanent mental, psychological or emotional disorder which resulted from the injury.

ESTIMATED FISCAL IMPACT:

Decrease State Expenditures - Less Than \$100,000/Claims Award Fund

Decrease Local Govt. Expenditures - Less Than \$100,000

Assumes limiting the percentage of permanent impairment that may be attributed to mental injury to 1% would result in a decrease in claim expenditures thereby decreasing state and local expenditures for governmental employees' workers compensation claims. However, the number of cases involving such claims is small. The TML insurance pool has 2 or 3 such cases on an on-going basis and the claims award fund has few such cases.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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